



Chairman: David Vaught

Members: Ed Bedore, Ricardo Morales, Larry Ivory, Bill Black

May 14, 2013

Bill Grunloh
Chief Procurement Officer
Illinois Department of Transportation
Executive Ethics Commission
2300 S. Dirksen Pkwy
Room 200
Springfield, Illinois 62764

Re: 50-35 Potential Conflict of Interest, from the April 26, 2013 Letting, Item 70

Dear Mr. Bill Grunloh,

In accordance with the requirements of Section 50-35 of the Illinois Procurement Code, I have reviewed your request received May 13, 2013 and understand the facts to be as follows:

- 1) The Illinois Department of Transportation has issued a request for a review and comment on potential conflicts of interest disclosed by Gunther Construction, a Division of United Contractors Midwest, Inc.
- 2) The contract pertains to the contract for construction related services in McDonough County.
- 3) Gunther Construction, a division of United Contractors, Midwest, Inc. was selected via Competitive Sealed Bid. Sub contractor agreement.
- 4) The disclosure form submitted on behalf of Gunther Construction, a Division of United Contractors, Midwest, Inc. indicates the following:
 - a. The Disclosure Form A submitted on behalf of Stephan A. Cullinan, M.D., an individual with an ownership interest and distributive income of more than 60% of the Governor's salary, indicates that Mr. Cullinan is the Chief Medical Officer of Health Professional, Ltd, and a minority shareholder in Correctional Healthcare Companies, Inc. Health Professionals, Ltd. is a health care company that provides medical management services to inmates at various Illinois Department of Corrections facilities Statewide. Dr. Cullinan is in no position to influence the competitively sealed bidding process from the position he holds.
- 5) The Illinois Department of Transportation confirmed that none of the disclosed individuals were in a position to influence the award of this contract. The Illinois Department of Transportation and CPO Bill Grunloh indicate that it would be in the best interest of the State to approve this conflict of interest due to the using agency's needs and the value of the contract.

Based on the foregoing, you are requesting my review and comment pursuant to the Illinois Procurement Code.

Review and Comment

After careful review of the documentation provided, I do not view the relationships disclosed above as creating a conflict of interest sufficient to preclude the Illinois Department of Transportation from entering into a contract with Gunther Construction, a division of United Contractors, Midwest, Inc. for the services outlined in your letter received May 13, 2013.

Sincerely,

A handwritten signature in black ink, appearing to read "Aaron Carter".

Aaron Carter
Executive Director

Cc: EEC General Counsel



CHIEF PROCUREMENT OFFICE

Bill Grunloh, Department of Transportation - Highway Construction

May 9, 2013

Procurement Policy Board
222 South College Street, Suite 231
Springfield, IL 62704

RE: Conflict of Interest Disclosure for Gunther Construction, A Division of United Contractors Midwest, Inc., lowest responsible and responsive bidder for Item 70 from the April 26, 2013 letting

Dear Mr. Carter:

Attached is the potential conflict of interest form for Gunther Construction, A Division of United Contractors Midwest, Inc., the lowest responsible bidder who was also responsive for Item 70 advertised on the April 26, 2013 letting by the Department of Transportation.

Item 70 consists of construction related services in McDonough County, and includes: 3.57 miles of milling and resurfacing on U.S. Route 67 beginning near Good Hope and extending to the Warren County Line This is in line with the Department's mission.

The Disclosure Form A submitted on behalf of Stephen A. Cullinan, M.D., a member of R.A. Cullinan and Son, also a Division of United Contractors Midwest, Inc., an individual with an ownership interest and distributive income of more than 60% of the Governor's salary, indicates that Mr. Cullinan is the Chief Medical Officer of Health Professional, Ltd, and a minority shareholder in Correctional Healthcare Companies, Inc. Health Professionals, Ltd. is a health care company that provides medical management services to inmates at the following Illinois Department of Corrections Facilities:

- a) Illinois Youth Center, St. Charles, IL:
 - i. Start Date: 7/1/07
 - ii. End Date: 6/30/2012
 - iii. Contract #: 9903001
- b) Illinois Youth Center, Joliet, IL:
 - i. Start Date: 7/1/07
 - ii. End Date: 6/30/2012
 - iii. Contract #: 9903001
- c) Illinois Youth Center, Warrenville, IL:
 - i. Start Date: 7/1/07
 - ii. End Date: 6/30/2012
 - iii. Contract # 9903001
- d) Illinois Youth Center, Chicago IL:
 - i. Start Date: 7/1/07
 - ii. End Date: 6/30/2012
 - iii. Contract # 9903001
- e) Illinois Youth Center-Murphysboro, IL:
 - i. Start Date: 4/1/2008
 - ii. End Date: 9/30/2011
 - iii. Contract # 9905003

- f) Taylorville Correctional Center:
 - i. Start Date: 4/1/2008
 - ii. End Date: 9/30/2011
 - iii. Contract # 9905003
- g) Centralia Correctional Center:
 - i. Start Date: 4/1/2008
 - ii. End Date: 9/30/2011
 - iii. Contract # 9905003
- h) Vandalia Correctional Center:
 - i. Start Date: 4/1/2008
 - ii. End Date: 9/30/2011
 - iii. Contract # 9905003
- i) Southwester Correctional Center:
 - i. Start Date: 4/1/2008
 - ii. End Date: 9/30/2011
 - iii. Contract # 9905003

This conflict has been reviewed by our office, and it has been determined that this is not an actual conflict and will not interfere in the execution of this contract.

If you have any questions concerning this request, please contact Jim Layden of the Bureau of Design and Environment, Plans and Contracts Unit, at 217-782-7806.

Sincerely,



Gretchen Tucka,
State Purchasing Officer

Enclosures

STATE OF ILLINOIS
PROCUREMENT POLICY BOARD
CONFLICT OF INTEREST REVIEW
CHECKLIST

Please ensure that the following documents are included with your request:

- ☒ Cover letter with overview of the potential Conflict of Interest
- ☒ Conflict of Interest Review Request Form
- ☒ Copy of Proposed Contract*
- ☒ Any Prequalification Information Submitted by the Vendor
- ☒ Prior Procurement Policy Board/Office of the Governor Conflict of Interest Review Letter for this Vendor
- ☐ Copy of the Disclosure/Certification Documents Submitted by the Vendor

*may be the proposed contract sent in with a RFP response, a copy of the solicitation response, etc.

Please scan original documents** with signatures and email to:

aaron.carter@illinois.gov
cc: deanna.rossetto@illinois.gov

If you are unable to scan and email the original signed documents, please send to:

Procurement Policy Board
222 South College Street, Suite 231
Springfield, IL 62704

**If you scan and email the original documents, please do not send the original documents to our office. Please keep the documents in your procurement file.

CONFLICT OF INTEREST REVIEW REQUEST FORM

The following information must be filled in as accurately and completely as possible. This form will be sent to the Procurement Policy Board providing essential information needed to review and determine if an actual conflict of interest exists, which is sufficient to preclude the State from entering into the attached proposed contract pursuant to section 50-35(d) of the Illinois Procurement Code.

CONTRACTING AGENCY INFORMATION

Using Agency: Department of Transportation
Address: 2300 S. Dirksen Parkway City/State: Springfield, IL
Contact Person: Jim Layden Title: Acting Chief Contracts Official
Phone: 217.782.7806 Fax: 217.785.1141
Email: jim.layden@illinois.gov

VENDOR INFORMATION FOR VENDOR WITH POTENTIAL CONFLICT

This Vendor is: ☒ Prime Vendor ☐ Sub-contractor
Name of Vendor: Gunther Construction, a Division of United Contractors Midwest, Inc.
Address: 600 East Main Street City/State: Galesburg, IL
Contact Person: Michael McGilicuddy Title: VP
Phone: 309-342-4155 Fax: 309-342-4150
Email:

Procurement Bulletin Reference Number: Letting Item 70 Date Posted to Bulletin: 3/25/2013

CONTRACT INFORMATION

Describe the need for this procurement or proposed contract: Letting Item 70 consists of construction related services in McDonough County, and includes: 3.57 miles of milling and resurfacing on U.S. Route 67 beginning near Good Hope and extending to the Warren County Line This is in line with the Department's mission.

Total Contract Amount (Estimate if actual is unknown): \$ 2,537,312.59

Contract Begin Date: Upon authorization to proceed is received. Department must award project to bidder within 45 days of letting date. Contract End Date: 35 Working Days

Describe any Renewal Options (i.e. One 2-year Option): No

PROCUREMENT PROCESS

What was the method of procurement used to select this vendor? Competitive Sealed Bidding

If this vendor was selected using a competitive process, how many vendors responded to the bid? 3 total.

Were any vendors disqualified? No If yes, please explain why.

If a multiple award, how many vendors were awarded a contract? Not a multiple award.

Were there any instances of low vendor rejections? No. If yes, please explain why.

EXPLANATION OF POTENTIAL CONFLICTS OF INTEREST

For each individual identified as causing a potential conflict of interest, include the following information: name, relationship (if applicable), Agency of State employment, start date, job title and responsibilities. Indicate if any of the named individuals earn more than \$106,447.20 and explain the potential conflict of interest.

The Disclosure Form A submitted on behalf of Stephen A. Cullinan, M.D., a member of R.A. Cullinan and Sons, also a Division of United Contractors Midwest, Inc., an individual with an ownership interest and distributive income of more than 60% of the Governor's salary, indicates that Mr. Cullinan is the Chief Medical Officer of Health Professional, Ltd, and a minority shareholder in Correctional Healthcare Companies, Inc. Health Professionals, Ltd. is a health care company that provides medical management services to inmates at Illinois Department of Corrections Facilities Statewide. Since Gunther is a Division of United Contractors Midwest, Inc., this conflict is being reported on both Conflict of Interest Review Requests for R.A. Cullinan, IVP, and other divisions.

If a prime vendor, did they disclose their use of lobbyists? ☐ Yes ☒ No
If yes, did the lobbyists lobby on behalf of the vendor to secure this contract? ☐ Yes ☐ No

PROVIDE A WRITTEN STATEMENT SIGNED BY THE AGENCY REPRESENTATIVE FOR YOUR AGENCY STATING:

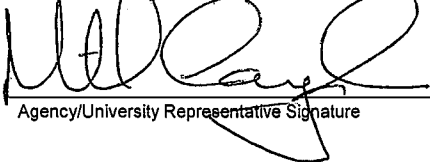
1. Is the conflict an actual conflict and whether or not any of the above named individual(s) were in a position to influence the State's award of this contract.

The conflict disclosed is potential and not actual. Dr. Cullinan in his position can in no way interfere with the competitive sealed bidding process.

2. Why is it in the best interest of the State to proceed with this contract.

This is for the safety of the motoring public, which is central to the Department's mission.

AGENCY/UNIVERSITY REPRESENTATIVE SIGNATURE



Agency/University Representative Signature

Michael Layden

Agency/University Representative Printed Name

5/9/2013

Date

217.782.7806

Agency/University Representative Telephone

jim.layden@illinois.gov

Agency/University Representative Email Address

CPO SIGNATURE REQUIRED



CPO Signature

Bill Grunloh

CPO Printed Name

5/9/2013

Date

217.558.5434

CPO Telephone Number

bill.grunloh@illinois.gov

CPO Email Address